great value to the publishers, and it is -- they can 2 | buy our service, or they can -- you can get it from another spot, but if you can buy the service at what 4 we feel like is a fair price and then put it into the form of directory, we feel like that is worthwhile, and we feel like we have offered a very low and fair 7 | price.

COMMISSIONER CLARK: We may be talking past each other, because when I think of reasonable contribution -- which you have said to you means reasonable profit -- I think in terms of a regulated profit, and it tends not to be 13,000%.

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WITNESS JUNEAU: 1,300. I understand. COMMISSIONER CLARK: 1,300. It tends not to be that high.

WITNESS JUNEAU: Yes, ma'am.

COMMISSIONER CLARK: So it sounds to me like what you intend to charge is what you think the value of the service is in terms of what the market will bear.

WITNESS JUNEAU: That has been -- whether the market will bear or not is -- it seems as though 23 || in other areas the market bears a considerably higher 24 || price than we charge. We're completely out of line with any other LEC or RBOC that provides a service.

1 COMMISSIONER CLARK: Let me ask one other 2 thing. Why is it appropriate to charge market prices for this service as opposed to cost plus a 3 contribution of, say, 12%? 5 WITNESS JUNEAU: In this instance the listing information has great value, Commissioner. 6 allows the directory publisher to have the information, the basic information, to go forth with a directory that will contain, like I said, thousands, hundreds of thousands, millions of dollars of 10 advertising. It is very valuable information. 11 12 COMMISSIONER CLARK: What is BellSouth's relationship to BAPCO? Is it a sister company? 13 WITNESS JUNEAU: BAPCO is a subsidiary of 14 BellSouth Corporation. 15 16 CHAIRMAN JOHNSON: Mr. Horton, do you have 17 more questions? 18 (By Mr. Horton) Mr. Juneau, I'm going to hand you a sheet of paper, and I've already showed 19 this to counsel. This is a page from 20 Telecommunications Act of 1996. It's Section 222-E. 21 Would you -- there's a star with a number 1 by it. Do 22 23 | you see that? 24 A Yes.

Would you read that section, please?

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1	A "Subscriber list information.
2	Notwithstanding subsections B, C and D, a
3	telecommunications carrier that provides telephone
4	exchange service shall provide subscriber list
5	information gathered in its capacity as a provider of
6	such service on a timely and unbundled basis under
7	nondiscriminatory and reasonable rates, terms and
8	conditions to any person upon request for the purpose
9	of publishing directories in any format."
10	Q And would you look over there at the
11	definition of subscriber list information that's
12	starred with a number 2 next to it. Do you see that?
13	A Yes.
14	Q And is that what we're talking about here
15	today? Go ahead and just read that definition to
16	yourself.
L7	A (Witness complies.) Okay.
18	Q You've read Mr. Screven's testimony; right?
19	A Yes.
20	Q And you've heard his testimony today?
21	A Yes.
22	Q Isn't what he's asked for exactly what's
23	required by Section 222-E?
24	A I'm not sure what he's asked for. What he's

25 asked for obviously contains a list of the names,

address, phone numbers and primary business

classifications; but I'm not sure we have a request in

a form that we can work with that. If that is -- what

we provide in the central office base list is

precisely what is defined in Subscriber List

Information.

- Q Subscriber list information is what's provided to BAPCO, correct?
- A BAPCO is provided every bit of service record, service order activity, and BAPCO has to decipher that information to pull this information right here to be useful in their directories. We don't furnish BAPCO a precise list of just that selected information.
 - Q You provide BAPCO with a daily list of service activities, service orders, correct?
 - A That's correct; all service order activity.
 - Q All service order activity. And that has the name of the subscriber and carrier, right?
 - A It has the name of the subscriber.
 - Q And you already agreed with me earlier, the telephone numbers, the address, the primary advertising classification, correct?
- A That's correct.

25 Q And that's what subscriber list information

1	is; correct?
2	A Correct.
3	Q And that's what 222-E requires you to
4	provide to directory publishers, correct?
5	A That's correct.
6	MR. HORTON: I don't have any further
7	questions. Thank you. Thank you, Mr. Juneau.
8	CHAIRMAN JOHNSON: Staff.
9	CROSS EXAMINATION
10	BY MR. PELLEGRINI:
11	Q Good afternoon, Mr. Juneau. I'm Charlie
12	Pellegrini on behalf of Commission Staff.
13	A Good afternoon.
14	Q Mr. Juneau, do you have the exhibit marked 3
15	at hand; exhibit marked 3 for identification? Do you
16	have that at hand, containing Mr. Screven's responses
17	to Staff interrogatories?
18	A No. I believe I have three, MLJ-1, 2 and 3.
19	This is another one of your documents that I'm looking
20	for?
21	Q Well, it would be identified as GS-2
22	otherwise.
23	A No, I do not have that.
24	Q Let me turn your attention to
25	Interrogatory No. 28. That's going to be on Page 22,

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1	handwritten.
2	A Right.
3	Q Do you have that?
4	A I have that.
5	Q Are you familiar with the response, FIDP's
6	response as stated there?
7	A I am.
8	Q Would you take a moment to review it,
9	please?
10	A Okay. (Pause) Okay.
11	Q Let me ask you this: Has FIDP or
12	Mr. Screven ever formally requested that BellSouth
13	provide an update service consistent with that
14	statement, that is the statement in Mr. Screven's
15	response to Staff's Interrogatory 28a?
16	A I can't tell you if this specific request
17	has come to us from Mr. Screven. We do have a request
18	from Mr. Screven for new connect activity, but in this
19	form I don't know that we've received one that looks
20	like it.
21	Q Does Mr. Screven's request for a new correct
22	activity differ in some way from the statement to
23	which I've referred you?
24	A The new connect activity isolated from other

25 changes would, to my way of thinking, be different

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1	that this. That's a very select list of items.
2	Q Well, has anyone made a request to BellSouth
3	that would be consistent with FIDP's response at 28a?
4	A I'm not aware of a request that looks like
5	this that would fit this criteria.
6	Q Would you necessarily know if such request
7	had been made?
8	A I would not necessarily know of every
9	request; no, I wouldn't, but no.
10	Q Can you investigate this question and
11	prepare a late-filed exhibit that would indicate
12	whether or not such request had been received by
13	BellSouth?
14	A I will.
15	COMMISSIONER CLARK: Mr. Pellegrini, were
16	you also going to ask them to price out, or if they
17	provided such a service what the cost would be?
18	MR. PELLEGRINI: Yes.
19	CHAIRMAN JOHNSON: Could you give me a name
20	for that late-filed?
21	MR. PELLEGRINI: Request for Service
22	Consistent with FIDP Response to Staff
23	Interrogatory 28a. It's not very brief, but it's the
24	best I can do.

CHAIRMAN JOHNSON: Okay. And you understand

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WITNESS JUNEAU: Yes, I do.

COMMISSIONER CLARK: Madam Chairman, I want to be sure that -- it seems to me that what the Staff 5 has asked for -- and I want to be clear this is what they want, or if that's not what they want, I'd like to ask for it -- that you will let us know whether anyone has requested any of this service under this response.

WITNESS JUNEAU: That's correct.

COMMISSIONER CLARK: And you will also respond to how much it would cost to provide the service and what your proposed rate would be for the service.

WITNESS JUNEAU: We'll provide that, Commissioner.

MR. PELLEGRINI: And one more thing, I would like that to include whether or not BellSouth made a market demand analysis, and if so, what that analysis indicates, or indicated.

WITNESS JUNEAU: Okay. We'll include that.

MR. PELLEGRINI: Commissioner Clark, is that consistent with what --

COMMISSIONER CLARK: Yes. I think that's good. The only other thing I was thinking of is an indication of whether you provide this service to BAPCO and what you charge BAPCO for that service. Can you do that, too?

witness Juneau: I'm sorry. You're asking if we provide this service to BAPCO?

COMMISSIONER CLARK: Yes.

witness Juneau: We do not provide it in this form, and BAPCO gets their information in one form, and that is the daily fee of all service order activity to put it into the format that is described here. BAPCO does that for themselves, which is the real difference in what the publishers are asking.

They're asking us to expend the effort, do the programming and the work to put it in the fashion that they can use it. And so that is a significant difference in the request, and I'm not sure I understand what I'm being asked to provide.

COMMISSIONER CLARK: I see your point, that they get raw data and they --

WITNESS JUNEAU: They get raw data. This is a long-standing arrangement that's evolved over time because BAPCO has been our agent for this time period, and so they have purchased the computer equipment and done the programming such that they can just read the service order activity to determine their own needs.

We don't -- we don't act on that data whatsoever, 2 other than to feed it from the service order system 3 directly to BAPCO. COMMISSIONER GARCIA: What do you charge them for feeding that information? 5 6 WITNESS JUNEAU: I do not know the cost 7 structure for BAPCO, Commissioner. 8 (Pause) 9 COMMISSIONER CLARK: While they're consulting, I guess then let me go back to a question 10 | I asked previously; and that was, what do you charge 11 || BAPCO for this same information, and that being providing all the directory information. And you said 13 you charge more than you're charging --15 WITNESS JUNEAU: Well, you're correct. I don't know the structure. I do know the effect of that charge is that BAPCO pays a higher rate than the 18 | tariffed rate, but I don't know the structure of the charge. I don't mean to be in conflict, but I hope 19 | that's not in conflict. 20 21 COMMISSIONER CLARK: You're saying that on a per listing basis that BAPCO winds up paying more than 22 23 | four cents? 24 WITNESS JUNEAU: That's correct.

COMMISSIONER GARCIA: I don't see how that's

possible. I mean, you're saying that there's a constant back and forth and they're hooked up directly and there's a long-standing relationship. First of all, I question how you even keep an accounting of that.

COMMISSIONER GARCIA: I would understand maybe you had a flat rate for them, and then you're quessing that if you broke it down -- I mean, on the bulk rate it probably is more than the independent operators pay, but if you broke it down into line by line, you're telling me that they pay more per -- WITNESS JUNEAU: Per listing.

COMMISSIONER GARCIA: -- per listing than the independents, than your tariffed rate?

WITNESS JUNEAU: My understanding is that BAPCO's charge would equate to a greater amount than the tariffed rate to the directory providers based on the current arrangements.

Q (By Mr. Pellegrini) Mr. Juneau, with respect specifically to isolated new connect listings, you've indicated that this is a complex -- that it would entail a complex process to provide such a list?

A Yes.

Q Can you explain what that complexity is?

1 Why is it nothing more than sorting on the basis of 2 | date?

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- Sorting on the basis of dates? I couldn't 4 describe the programming activity that would be 5 | involved. I'm just saying that it would be involving 6 defining precisely what is desired so that we could 7 give a programmer the specifications to do exactly 8 | what the directory publishers would want.
- Has BellSouth done a cost study that would 10 || support your characterization that it's a complex 11 | process?
- A Not for the new connect activity on an 13 | isolated basis.
- In a general sense, Mr. Juneau, describe the process, if you will, that BellSouth goes through to 16 | determine whether a service should be tariffed.
- We've become aware of the nature of the A 18 | request, do an analysis of the request, see what the 19 demand would be, prepare a cost study, and then propose a rate to go with that cost, and file the 21 | tariff with the terms and conditions.
- Would FIDP's request for residential and 23 | business new connect information be the kind of thing 24 | that would initiate that kind of analysis or study?
 - It would, Mr. Pellegrini, in the sense that A

that is the type of a request -- again, this is kind of the first time that we've heard this request is of the filing of this one for strict information that's strictly new connects; and having worked with the publishers on other areas, we have not gained a response on what we had proposed. There was not a willingness to purchase the product.

- Q You're saying that this is the first time --
- A For a listing of new connects. As of this proceeding, the filings in this proceeding, this is the first time we've been aware of an isolated listing of new connect activity as a requested item.
- Q Are you saying that that requirement is not -- that Mr. Screven has not described that requirement in any of his testimony?
 - A No.

- Q Either today or prior to today?
- A No, I think that this is when we've become aware of this request is through this proceeding at this point in time. Requests for new connect activity has been discussed in the past, but it has not been isolated to a request for only new connect activity.
- Q If, as it turned out, there was an inadequate market demand for a service such as new connect listings, would BellSouth be prepared to offer

1	that, such a service, on the basis of a contracted
2	service?
3	A We would look at that certainly. A contract
4	service arrangement?
5	Q Yes.
6	A That would be a very viable alternative.
7	Q Something like that has not to this point
8	been considered?
9	A Not that I'm aware of.
10	Q In the course of this proceeding, which has
11	gone on for some time, why has BellSouth not offered a
12	special services contract arrangement for this
13	service?
14	A I'm not aware why that has not come up,
15	other than this one is fairly recent. I mean, this
16	specific instance of the new connects only, that is a
17	recent item, and I'm not sure that we've had
18	negotiations on that one at all.
19	Q And to your knowledge, BellSouth has not
20	offered a special contract service arrangement for a
21	new connect listing of any kind?
22	A That's correct. To the best of my
23	knowledge, we've not offered a contract service
24	arrangement.
25	Q And you've not received a request for a new

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1	connect listing from anyone other than FIDP?
2	A That is the only one that I'm aware of
3	Q Or other than Mr. Screven?
4	A That's correct. That's the only one that
5	I'm aware of.
6	Q Just to be absolutely certain, you've not
7	received a request for this service from any other
8	independent directory publisher?
9	A For a listing of isolated and only new
10	connects, I'm not aware of any other request other
11	than Mr. Screven's.
12	Q Have you some idea of what demand would be
13	sufficient in order for BellSouth to provide this kind
14	of service?
15	A I really don't know what it would take to
16	provide that. I'm not sure what the level of demand
17	would be.
18	Q Are you familiar with the considerations
19	that would have to be made to establish the necessary
20	demand level?
21	A No, I'm not, not for this product. I would
22	not know.
23	Q (Pause)
24	COMMISSIONER CLARK: While they're talking,
25	let me ask you something about you also have a

tariff to provide information for people to provide directory assistance; is that correct?

WITNESS JUNEAU: That's correct.

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COMMISSIONER CLARK: What is the rate per 5 listing as compared to the rate -- the four cents 6 | rate?

WITNESS JUNEAU: The rate per listing for 8 | directory assistance is three and a half cents per use of that listing; essentially three and a half cents 10 each time a directory assistance listing is requested.

COMMISSIONER CLARK: Because I was trying to 12 | understand why it was important for you to have the limitation on the use of the information and it be -they be your concern that it's going to be used for 15 | directory assistance.

WITNESS JUNEAU: Right.

COMMISSIONER CLARK: And that's the reason, is because it would affect your revenues from your directory assistance rates?

WITNESS JUNEAU: There are two different 21 || services; and I wouldn't characterize it just because it would affect our revenues. They are two different 23 || services, and directory assistance is a service that has greater value. It has greater value to the end user. It's not just greater value to BellSouth.

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COMMISSIONER CLARK: Which one has greater

WITNESS JUNEAU: Directory assistance does. Directory assistance is valuable to an end user who has no other means of directory information, who doesn't have a directory, has an outdated directory. With the telephone they can call directory assistance and still find the information they need.

So it does provide value to the customer, and therefore it has value to BellSouth, and it has value to any other provider of directory assistance.

COMMISSIONER CLARK: I guess what I'm trying to understand is why is it appropriate for you to put a limitation on the uses to which information obtained under this tariff can be used, can be put; what uses? Why is it appropriate?

WITNESS JUNEAU: I think this goes to the definition, Commissioner, of what is the difference in directory publisher service and directory assistance service; and our position has been that they are two different and distinct services that have a different purpose and a different value.

COMMISSIONER CLARK: The same information 24 || has different market value depending on how you use it; is that what you're saying?

WITNESS JUNEAU: It has value to the 2 consumer differently, too, and rather than just focus on the market value to BellSouth, that market value is based on the value to the consumer. Directory assistance in the traditional sense has greater value. Directory assistance over the Internet has the greater value.

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COMMISSIONER CLARK: What you're saying is the price you charge, you want it to be based on the 10 | market value of that product, which would depend on 11 | the uses to which it's put?

WITNESS JUNEAU: The use is based, though, 13 | on the value to the consumer, but it is a market 14 price.

COMMISSIONER CLARK: Let me be more direct. Why is it appropriate to have one tariff that provides this information with no limitation on how the people 18 | buying it can use it?

WITNESS JUNEAU: If it's the decision that there is no difference in directory assistance and directory publishing, then that would be a correct statement, other than to my way of thinking in the limitation of the use of the service for telemarketing 24 | would not be appropriate because that would violate 25 || privacy, but under your assumption there that there

1 would be no difference if you define the services to 2 be the same, we have not. COMMISSIONER CLARK: Thank you.

- (By Mr. Pellegrini) Mr. Juneau, the tariffed rates from the monthly refresh files are in 6 | all cases four times the per listing price for the central office file; is that correct?
 - A Right.

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- Can you rationalize that factor of 4?
- Other than there is additional value in having the -- having a current update service. That is the rationale; it is a more valuable service. And selection of 4, I can't speak to, other than any other number that was picked as a multiplier.
- Is there any underlying data that would support that factor?
 - A Not that I'm aware of.
- Mr. Juneau, was an update service first discussed in the regional negotiations between BellSouth and DPDS customers in the 1994-1995 matter in Louisiana?
 - I'm not sure if that's the first time.
- 23 No. I didn't mean to ask you if it was the 24 | first time, but was it -- well, yes.
 - A Would you repeat your question? I must have

misunderstood it.

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- I asked you whether an update service was 3 first discussed in the regional negotiations between BellSouth and DPDS in Louisiana. I may have cut off your answer, and I'm sorry if I did.
 - I don't know if that is -- if that was the first point that was discussed or if it had been discussed at some other. I'm not aware of negotiations prior to the Louisiana negotiations.
 - But it was discussed in those --
 - A The refresh.
- 12 Q -- negotiations?
- 13 A Yes.
 - Q The monthly refresh?
 - My understanding is the monthly refresh was A discussed in the Louisiana negotiations.
- And did the Louisiana negotiations lead to Q 18 | the update service as tariffed in the Louisiana --
 - That is my understanding is that was the product of those negotiations, was the update service. The tariff in Florida reflected the Louisiana tariff precisely on that.
 - Q In this proceeding, in your view, has FIDP identified wanting something different than what is currently tariffed?

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I understand that FIDP wants something different than what is currently tariffed. I'm not sure I understand exactly what that is at this point.

Q Just a few more questions, Mr. Juneau. When BellSouth first tariffed its DPDS was a printed booklet form the only allowable format for publishing directories?

- A Yes.
- And currently the tariff permits directories to be published in printed booklet or CD ROM format; 11 | is that correct?
 - That's correct.
 - Are there any other forms of directories that BellSouth believes are acceptable ways to publish directories under the current DPDS tariff?
 - In the data request BellSouth specified that a diskette would be equivalent to a CD ROM for the definition of electronic or --
 - How about publication on the Internet?
 - We would disagree with that one. BellSouth A sees that publication on the Internet would be a directory assistance service. It is a look-up service. It's a place where an individual would go for a specific listing in lieu of using a directory of either paper or CD ROM. It's ubiquitous at this

1 point. You can get literally any listing you want 2 | in -- by looking up name, address, whatever. There are a couple of sites on the Internet 3 4 | today that do this, and they are look-up services. It 5 | is precisely -- in our definition it's precisely an 6 | alternative to directory assistance. How is that different, really, from a 7 Q 8 | customer who is looking for a certain number, how is 9 | it different -- if he were to access the Internet for that information, how is that different than if he 10 1 were to access a printed directory for this 11 information? 12 It would be different if he did not have a 13 14 | printed directory in his possession. 15 Well, but suppose he did have a printed 16 directory in his possession. 17 A Then he potentially would get the same information if the directory was up to date. 18 CHAIRMAN JOHNSON: So how is it different? 19 WITNESS JUNEAU: I'm sorry? 20 21 CHAIRMAN JOHNSON: How is it different? 22 WITNESS JUNEAU: How is it different? 23 CHAIRMAN JOHNSON: Yes. 24 WITNESS JUNEAU: It's different as in, I

think, the value that is available in directory

assistance in the traditional sense. People will call directory assistance for a couple of reasons; one, they do not have a directory, or they -- the directory they have does not have the listing that they're seeking, perhaps a new resident, or just don't want to go get it.

You know, they might just choose that it's easier to go ahead and call directory assistance and get the information; and I think the same thing is true in electronic format. CD ROM placed in a computer would be roughly the equivalent of a paper telephone directory, which you could look up your own listing if -- however, if you can't find the CD, it's scratched, for some reason it doesn't work, and you can still get into your computer, you can go in and look up the Internet service. It's there whenever you want it and whether or not you have a directory at your disposal. To me, that's the difference.

CHAIRMAN JOHNSON: Say that again. The difference is if you have -- between the CD ROM and the print directory, having the Internet access, how is -- I guess you were saying it was more like directory assistance.

You know, it's similar to directory assistance. You

call directory assistance for a specific listing for whatever reason that you don't have it by way of a directory. Whether you choose to use it or do not have a directory it's an alternative that provides you the number in the absence of that directory.

The Internet is essentially the same thing. It's just not tended by an individual. You just do your own search, but it's a look-up that you can configure yourself without the benefit of the directory. And in the absence of any directory in hand, any paper directory, any CD ROM, any other type of directory, you can go into the Internet and look up a directory listing. It's identical, in our opinion, to directory assistance that BellSouth provides.

COMMISSIONER CLARK: It sounds to me like what you're saying is the difference is it's in a remote location and you have to go outside your living room where you might have your phone book or your computer, and you have to go seek the information from an off-premises source.

witness Juneau: Well, Commissioner, that, in one regard that's true. It's an alternative to using a physical directory.

COMMISSIONER CLARK: So is a CD ROM.

25 WITNESS JUNEAU: And a CD ROM is an

The distinction that Commissioner Clark made was the only distinction that I could follow

alternative to the paper directory, but it basically provides you the same thing. It's a complete list of all the directory -- all the directory listings, and you can use your keyboard and your computer to look just as you would flip through the pages of a paper directory.

COMMISSIONER CLARK: Which is the same thing you would do on the Internet.

WITNESS JUNEAU: But there is -- to me, the difference there is that in the absence of any directory, you can still go into the Internet. If you have no CD ROM directory and you have no paper directory but you do have your computer linked to the Internet, you have directory assistance service. You can look up an individual listing right there without the benefit of any directory being available.

CHAIRMAN JOHNSON: Okay. That's interesting, because in the absence of the computer ——
I'm having a problem with that logic. In the absence of the printed directory, certainly you can't look up the numbers if that's the only source you have, but in the absence of having Internet, you can't look it up either.